

# **Child Development and Care Provider Billing Frequently Asked Questions**

## **Foster Care Children**

**Q: I have a foster child in my child care at this time, while the foster parent is at work. The child is picked up twice a week from my child care and taken to visit their biological mother for 2 hours. Can I bill for those 2 absence hours?**

*A: Yes, absence hours can be billed when a child is not in care at a time they normally would be in care as long as you normally charge for such absences.*

*Licensed and registered programs must have a written policy to charge all families for child absences, in order to bill the CDC program for such absences.*

**Q: Who pays difference in cost for foster children when our charge is more than 100% state pay?**

*A: The CDC program is a subsidy program and all child care charges may not be covered. It is the responsibility of the provider to collect from the parent/foster parent any child care charges not covered by the Department.*

## **Billing Invoice**

**Q: What is the confirmation number and where do I find it?**

*A: The confirmation number is found in the upper right corner of the Child Development and Care Billing Invoice, once your billing has been submitted. The Billing Invoice will pop up once you have submitted the billing if Adobe Reader has been installed on your computer.*

## **Parent's Authorized Activity**

**Q: How do we know what activities a parent is approved for?**

*A: When a parent chooses a provider, the parent and provider are forming a business relationship with each other. This process should include having a conversation with the parent about their authorized activities.*

**Q: What if the parent is not being honest about being at their approved activity. Does the responsibility fall on them or would the center be responsible?**

*A: These situations are reviewed on a case by case basis. If it is determined that a provider **could not** have known that a parent was not engaged in their authorized activity, the provider is not penalized.*

**Q: Does parent homework time count as an authorized care activity?**

*A: At the parent's request up to 1 hour of study or lab time for each hour of class time may be included in the parent's authorized hours. The parent should contact their DHS specialist if they're unsure whether this has been included in calculation of their authorized hours.*

**Q: Do online college courses count as authorized hours and how should those hours be calculated?**

A: *Online educational programs can only be approved if all of the following three requirements are met:*

- 1. Attendance is mandatory.*
- 2. The number of required hours of online attendance time is verified.*
- 3. Attendance is required at specific, regularly scheduled times.*
  - *If the program is self-paced and can be completed at any time, care cannot not be approved for this need reason.*

**Q: If parent is at work, but in training, can I bill?**

A: *Yes, if the training is required for their employment.*

**Q: If parent loses a job or quits and children are scheduled can we bill?**

A: *No, because there is no longer a need reason for child care and the parent would no longer be in his/her authorized activity. If there are questions or concerns about a particular case a provider can contact CRU at 1-866-990-3227.*

**Q: What responsibility do I have to inform the parent's DHS specialist if I suspect that their eligibility status may have changed based on their living situation (i.e. spouse moves back into the home)**

A: *You may report suspected fraudulent child care activity right away by calling 1-800-222-8558 or by submitting an on-line complaint by clicking [here](#).*

**Q: If a parent gets injured on the job and is out for surgery and still brings the child can you still bill? If you did bill because you weren't aware of the situation do you have to reimburse the state for the times the child was in your care?**

A: *If a parent is injured on the job and no longer actively working, he/she would need to contact his/her DHS specialist to report this change and determine whether the parent's circumstances allow for the CDC to continue. .If the provider is unaware of the situation and bills, the provider is not penalized.*

**Q: We are open from 7am and 6pm. Can a parent who works 3rd shift bring their child in for care so the parent can get some sleep?**

A: *Sleep periods (up to eight hours) for the employed parent can be approved when:*

- *This person is the only parent available to provide care during the time period for which CDC is being requested.*
- *This person works during the child's normal sleep time.*
- *This person must sleep when the child is awake.*

### **Parent Eligibility Determination**

**Q: Why does it take so long to for parents to get approved for CDC?**

A: *Under current CDC policy, eligibility determinations may take up to 45 days. A change to shorten this to 30 days is currently pending system support.*

**Q: Why does it take two weeks or more for the case worker to send a letter indicating authorizations have ended, causing the provider lose pay.**

*A: Parents are required to report changes within 10 days of their occurrence. Once these changes are reported, DHS has 15 workdays to act on this change and update the parent's eligibility. Due to the time this process takes, notification that authorizations have ended sometimes come after the fact. In these cases, the parent is responsible for the child care charges not covered by the CDC program.*

**Q: I have a new child enrolled that has not yet shown up on my billing page. What can I do to get that child to appear on the page?**

*A: If you have received the Child Care Provider Authorization showing a child has been approved and the child is not showing up on the I-Billing system for you to bill, you can contact the CRU for assistance at 1-866-990-3227.*

*If you have not received the Child Care Provider Authorization showing a child has been approved, you should contact the parent to inquire about their eligibility status.*

**Q: Have you considered notifying centers on the billing site of authorizations, loss of authorization etc. It would save postage and be quicker.**

*A: Thank you for this suggestion. It will be considered and evaluated for feasibility.*

**Q: Why do I receive Authorization forms (with end dates) for children who haven't been at the center for a very long time? I haven't billed for them and they are no longer on my roster so I am confused as to why I still receive paperwork on them?**

*A: This issue is being worked on and will hopefully be resolved soon. If you receive a correspondence that is confusing, you can contact the CRU at 1-866-990-3227.*

**Q: What should we do if we have a DHS specialist that keeps "losing" paperwork which then affects benefits? What should we do if we have a DHS specialist that isn't returning calls and doing their job?**

*A: Encourage parents to do the following: keep copies of what is turned into the DHS specialist, keep dated and detailed notes of all communication (or messages left) with him/her, request to speak to a supervisor if not receiving return calls.*

*Lastly, parents have a right to request a hearing if they disagree with any decision made by DHS to deny, reduce or terminate benefits. Parents can click [here](#) to access the Request for Hearing form. Please note that only parents have hearing rights. Providers cannot request a hearing for themselves or on behalf of the parent.*

### **Billing Absence Hours**

**Q. What hours can be billed as absence hours?**

*A. Child absence hours may be billed for any periods in which the child is not in care when he/she would have normally been in attendance. This includes periods when the provider is open for business, as well as when the facility is closed. Child absence hours cannot be billed after the child's last day in attendance. The CDC program limits child absence hour billing to 208 hours per child per fiscal year.*

**Q: Is there a way (other than calling the CRU) to find out the number of absence hours that have been billed for a child?**

*A: No, the only way to find out the number of absence hours that have been billed for a child would be to contact the CRU at 1-866-990-3227.*

**Q: Is it my responsibility to keep track of how many absence hours I bill, or will the Department stop paying after they are exhausted?**

*A: Providers are encouraged to keep track of the absence hours billed for each child. Please note: Once the absence hours billed for a child reach the maximum for the fiscal year (Oct. 1<sup>st</sup> - Sept. 30<sup>th</sup>), the department will no longer pay towards absence hours.*

**Q: Can I bill if the child is absent, but the parent does not call the child in sick?**

*A: Yes, you may bill absence hours if a child is not in care on a day the child is normally in your care, however, you should wait until you determine if the child will return. Absence hours should not be billed after the child's last day of care.*

**Q: If the parent picks up a child early, but are contracted for more hours, can I bill absence hours?**

*A: Billing is based on ACTUAL hours of care that is needed for the parent to participate in their authorized activity. Absence hours may only be billed if a child is not in care at a time/day that they would normally be in care. Any additional "contractual" hours should be billed to the parent*

**Q: Do parents have to initial all absence hours that provider's bill?**

*A: No.*

**Q: Where do you put holidays hours? Is it included with the illness hours?**

*A: Both holiday and illness hours would be billed under the same category of Absence hours.*

**Q: I have a client going out of the country for over a month, do I bill this time as absent hours?**

*A: The parent may or may not be eligible for CDC in this situation. The parent would need to contact his/her DHS specialist to report this change and determine whether the parent's circumstances allow for the CDC to continue.*

### **Travel Time**

**Q: If child is in our care for 10 hours a day because the parent has a 45 minute commute each way, the parent should be responsible for that 1.5 hours of commute time as private pay?**

*A: At this time, this is correct. The parent would be responsible for payment of travel time. A change to this is being explored currently and, if pursued, parents and providers will be notified at that time.*

### **Billing—general questions**

**Q: If a child is approved for 40 hours/week and they come 7:30 am-5:00 PM regularly. Should I only bill 8 hours a day? If I bill for more than 8 hours a day will there be a penalty?**

*A: No, there would not be a penalty. A provider should bill for the actual number of hours that a child is in care while the parent is in their authorized activity. All hours that are billed to the department must be properly documented on a provider's time and attendance records.*

**Q: How would you factor in a parent's break time and lunch hour while they are at work?**

*A: These times are considered part of the parent's employment hours and can be billed to the department if the child is in care.*

**Q: What if the parent brings their child to care and says that they are not going to work today, I wouldn't bill for that day?**

*A: If the parent is using child care for something other than their authorized activity, the parent is responsible for the child care charges.*

**Q: If a parent is only authorized for 20 hours of care, are we able to limit the number of days/hours we provide care?**

*A: You do have the option to limit the number days/hours you care for a child receiving CDC assistance. The number of hours that a child will be in a provider's care is part of the provider and parent's business relationship..*

**Q: Is there ever a time when the state pays back pay?**

*A: Yes there are times when back pay is issued. If you would like assistance with a particular situation, you can contact the CRU at 1-866-990-3227.*

### **Billing—Before- and After-School Care**

**Q: Is it a violation to bill for school age children for before and afterschool care?**

*A: A provider may bill before and after school hours if a child is in their care and the parent is in their authorized activity.*

### **Multiple Providers**

**Q: How can we find out what another provider has billed to make sure we don't exceed the max billing hours for a child during a pay period?**

*A: It is recommended that the provider discuss this situation with the parent to ensure that there is not duplicate billing.*

**Q: What happens if two programs bill for the same hours? For example, if a child is normally in care in a before school / after school program and school is closed so they attend our center... we both bill for that day?**

*A: There can be situations where two providers bill correctly for the same hours.*

*Example:*

*Provider #1 is closed for Memorial Day and correctly bills absence hours for a child (the hours the child would normally be in care on a Monday).*

*Provider #2 is open on Memorial Day and provides care for that child and correctly bills regular hours (the hours the child was in care and the parent was in their authorized activity).*

*In this example both providers have billed correctly. If the total number of hours billed exceeds the authorized hours, the parent would be responsible for any child care charges not paid by the department.*

**Q: What would the process be if we believe a parent is having multiple providers bill for care hours that are not legitimate?**

*A: You may report suspected fraudulent child care activity right away by calling 1-800-222-8558 or by submitting an on-line complaint by clicking [here](#).*

### **CDC Questions**

**Q: Have you considered an email address for inquiries to the CRU?**

*A: Thank you for this suggestion. It will be considered and evaluated for feasibility.*

**Q: Do you need to report to CDC when a child who was receiving benefits withdrawals from your program?**

*A: To request to be removed as a provider for specific children you should contact the parent's DHS specialist.*

### **CDC Rates**

**Q: When can providers expect an increase in the reimbursement rate? It seems Michigan is considerably low to national standards.**

*A: Michigan will be implementing a change in reimbursement rates in the coming months. Licensed and registered providers achieving 3, 4, or 5 Stars in Great Start to Quality, Michigan's Quality Rating and Improvement System, will be eligible for increased reimbursement rates. Notification will be sent to parents/providers at the time of implementation.*

**Q: We are looking at adjusting our costs... what do we do if our costs are lower than what the CDC pays for that age group?**

*A: Please contact the CRU at 1-866-990-3227 and ask to speak with a CDC policy staff member to discuss questions about setting rates.*

**Q: Why do you pay more to a center than you do to a family/home provider for the same care?**

*A: The Market Rate Survey conducted by the CDC program every two years has consistently shown that the market rate for centers is higher than that for home-based programs. Centers typically have higher operational costs due to additional staff,*

### **Time and Attendance Records**

**Q: The responsibility is put on the center and the parent. I have to chase parents down to make sure that they sign in and out. It seems as a director very hard couldn't they have a bridge card and make this their responsibility.**

*A: Michigan has researched the idea of using Point of Sale (swipe card) machines in the past and determined that this approach is not feasible due to the cost of installing/maintaining/collecting the machines for the large number of providers receiving CDC payments.*

**Q: We use an electronic check in/check out system (Procare) that adds up the hours in attendance for the two week period and the parent signs a print off. Is this ok to use as a child attendance record?**

*A: Yes, as long as your system can provide accurate and complete records to the department if requested. Records must include all data elements outlined in the CDC Handbook (child(ren)s name, dates of care, care begin/end times, total daily hours of care, daily parent certification, provider signature).*

**Q: Our parents sign their children in and out daily on our attendance sheet, do they still need to initial the CDC time and attendance sheet?**

*A: The required daily certification by the parent can be in the form of initials or signature on the time and attendance records you are using for your records. Please note: All unlicensed providers must use the CDC Daily Time and Attendance Record found [here](#).*

**Q: How do I bill if the parent doesn't sign their child in and or out?**

*A: Parent initials are required on all time and attendance records for the CDC program. If you have questions or would like to discuss a particular situation, you can contact the CRU at 1-866-990-3227.*

### **I-Billing Issues**

**Q: How do you delete children that haven't attended in years?**

*A: To remove a child, click on the Add/Remove Child button from the Billing and & Payment Inquiry menu. Check the box next to the child(ren) you would like to remove, then click the update button on the bottom of your screen.*

**Q: How can you alphabetize the children?**

*A: Children are alphabetized by their last name.*

## **Reviews**

**Q: Why do I keep going under review with my attendance sheets and I am in compliance?**

*A: Many reviews are initiated through a random selection process and some providers may be reviewed more than once. Other reviews are initiated as a follow up to a program violation, or to investigate a concern or inquiry called into the CRU.*

**Q: How much will the Central Reconciliation Unit actually disclose to a center about a particular case?**

*A: The CRU must follow rules of confidentiality, but can share with providers if a child is authorized, changes in authorizations, and program denials or withdrawals.*

## **Policy Changes**

**Q: Are you expecting any new policy changes with the new release of the new provider handbook on April 1st?**

*A: Effective April 1, 2014, the CDC program will begin implementing a parent disqualification process. At this time parents found to be intentionally violating CDC program rules will be disqualified from the program for:*

- 6 months for the first occurrence.*
- 12 months for the second occurrence.*
- Lifetime for the third occurrence.*

## **How to become a Licensed/Registered Provider**

**Q: If you are not licensed what do you to become a licensed provider?**

*A: For information about becoming a licensed provider, please visit [www.michigan.gov/childcare](http://www.michigan.gov/childcare) and click into the Licensed Provider section for resources and information. You may also contact the Bureau of Child and Adult Licensing on 866-685-0006.*